GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:3839
ANSWERED ON:17.08.2001
VIOLATION OF INVESTMENT RULES
RATNA SINGH

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether there is any provision for action against the foreign companies which violate the investment rules;

(b) if so, the details thereof;

(c) the number of such foreign companies against whom action has been taken by the government during the last three years on account of violation of investment rules; and

(d) the dates on which action has been initiated against these companies and the present status of each case?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN SINGH)

(a) to (d): Foreign investors are bound by the terms and conditions of the foreign collaboration approval and relevant Indian laws, including the provisions of Foreign Exchange Management Act, 1999, and Regulations made thereunder.Cases of violation of the terms and conditions of the foreign collaboration approval and/ or relevant Acts/ Rules are dealt with by the Administrative Ministries/ Statutory authorities concerned for taking appropriate action against defaulting companies.